
Introduced by Senators Leno, Hill, and Pavley
(Principal coauthors: Senators Corbett and Wolk)
(Coauthors: Senators De León, DeSaulnier, Evans, Price, and Yee)
(Coauthors: Assembly Members Ammiano, Buchanan, and Gordon)

December 3, 2012

Senate Constitutional Amendment No. 3—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 4 of, and by adding Section 4.5 to, Article XIII A thereof, by amending Section 2 of Article XIII C thereof, and by amending Section 3 of Article XIII D thereof, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SCA 3, as introduced, Leno. Taxation: educational entities: parcel tax.

The California Constitution generally conditions the imposition of a special tax by a city, county, or special district, including a school district, upon the approval of $\frac{2}{3}$ of the voters of the city, county, or special district voting on that tax.

This measure would alternatively condition the imposition, extension, or increase of a parcel tax, as defined, by a school district, community college district, or county office of education upon the approval of 55% of its voters voting on the proposition, if the proposition meets specified requirements. This measure would also make conforming changes to related provisions.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

- 1 *Resolved by the Senate, the Assembly concurring,* That the
- 2 Legislature of the State of California at its 2013–14 Regular

1 Session commencing on the third day of December 2012,
2 two-thirds of the membership of each house concurring, hereby
3 proposes to the people of the State of California, that the
4 Constitution of the State be amended as follows:

5 First—That Section 4 of Article XIII A thereof is amended to
6 read:

7 SEC. 4. ~~Cities, Counties and special districts, Except as~~
8 ~~provided by Section 4.5, a city, county, or special district, by a~~
9 ~~two-thirds vote of the qualified electors of such district its voters~~
10 ~~voting on the proposition, may impose special taxes on such district~~
11 ~~a special tax within that city, county, or special district, except an~~
12 ~~ad valorem taxes tax on real property or a transaction transactions~~
13 ~~tax or sales tax on the sale of real property within such City, County~~
14 ~~that city, county, or special district.~~

15 Second—That Section 4.5 is added to Article XIII A thereof,
16 to read:

17 SEC. 4.5. (a) The imposition, extension, or increase of a parcel
18 tax on real property by a school district, community college district,
19 or county office of education, as may otherwise be authorized by
20 law, is subject to approval by 55 percent of the voters of that district
21 or county voting on the proposition, if all of the following
22 conditions are met:

23 (1) The proposition is approved by a majority vote of the
24 membership of the governing board of the school district,
25 community college district, or county office of education.

26 (2) The proposition contains all of the following accountability
27 requirements:

28 (A) A list of the specific purposes and programs that are to be
29 funded.

30 (B) A requirement that the proceeds be used only for the
31 purposes and programs specified in the proposition, and not for
32 any other purpose.

33 (C) To ensure compliance with subparagraph (B), a requirement
34 that the governing board of the school district, community college
35 district, or county office of education conduct an annual
36 independent financial audit of the amount of parcel tax proceeds
37 collected and expended, and the specified purposes and programs
38 funded.

39 (D) To ensure compliance with subparagraph (B), a requirement
40 that the governing board of the school district, community college

1 district, or county office of education establish a citizens' oversight
2 committee to review all expenditures of proceeds and financial
3 audits, and report its findings to the governing board and to the
4 public.

5 (3) The proposition allows for an exemption from tax, to be
6 claimed under procedures established by the county, for any parcel
7 that, as of January 1 of each year, is owned by and upon which is
8 located the principal residence of, either a person or persons 65
9 years of age or older, or, without regard to age, a person or persons
10 receiving Supplemental Security Income for a disability.

11 (b) For purposes of this section, "parcel tax" means a special
12 tax imposed upon a parcel of real property at a rate that is
13 determined without regard to that property's value.

14 (c) The total amount of parcel tax impositions, increases, or
15 extensions submitted to the voters for approval in accordance with
16 this section at any election by a school district, community college
17 district, or county office of education shall be established by the
18 governing board of the school district, community college district,
19 or county office of education and shall not exceed that amount.
20 This maximum amount shall be annually adjusted to account for
21 inflation, measured as the annual change, from June to June of
22 each year, in the United States city average of the Consumer Price
23 Index for All Urban Consumers, as published by the United States
24 Bureau of Labor Statistics, or any successor to that index.

25 (d) Proceeds of any tax approved pursuant to this section shall
26 not be used to pay salaries of any administrator of any school
27 district, community college district, or county office of education.

28 (e) This section does not limit any other authority of a school
29 district, community college district, or county office of education
30 to impose a special tax approved in accordance with Section 4 of
31 this article or Section 2 of Article XIII C.

32 Third—That Section 2 of Article XIII C thereof is amended to
33 read:

34 ~~SEC. 2. Local Government Tax Limitation.~~ Notwithstanding
35 any other provision of this Constitution:

36 (a) ~~All taxes~~ Any tax imposed by any local government shall be
37 ~~deemed to be~~ is either a general taxes tax or a special taxes tax.
38 ~~Special purpose districts~~ A special district or agencies agency,
39 including a school districts, shall have district, has no power
40 authority to levy a general taxes tax.

(b) ~~No~~A local government may *not* impose, extend, or increase any general tax unless and until that tax is submitted to the electorate and approved by a majority vote. A general tax ~~shall is~~ not ~~be~~ deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved. The election required by this subdivision shall be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of emergency declared by a unanimous vote of the governing body.

(c) Any general tax imposed, extended, or increased, without voter approval, by any local government on or after January 1, 1995, and prior to ~~the effective date of this article~~ *November 6, 1996*, ~~shall~~ may continue to be imposed only if *that general tax is* approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held ~~within two years of the effective date of this article~~ *no later than November 6, 1998*, and in compliance with subdivision (b).

(d) ~~No~~*Except as provided by Section 4.5 of Article XIII A*, a local government may *not* impose, extend, or increase any special tax unless and until that tax is submitted to the electorate and approved by a two-thirds vote. A special tax ~~shall is~~ not ~~be~~ deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved.

Fourth—That Section 3 of Article XIII D thereof is amended to read:

SEC. 3. ~~Property Taxes, Assessments, Fees and Charges Limited.~~ (a) ~~No~~*(a) An agency shall not assess a tax, assessment, fee, or charge shall be assessed by any agency* upon any parcel of property or upon any person as an incident of property ownership except:

(1) The ad valorem property tax imposed pursuant to Article XIII and Article XIII A.

(2) Any special tax receiving a two-thirds vote pursuant to Section 4 of Article XIII A, *or, as applicable, a 55-percent vote pursuant to Section 4.5 of Article XIII A.*

(3) Assessments as provided by this article.

(4) Fees or charges for ~~property-related~~ *property-related* services as provided by this article.

1 (b) For purposes of this article, fees for the provision of electrical
2 or gas service ~~shall~~ *are* not be deemed charges or fees imposed as
3 an incident of property ownership.

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